

DRAFT 5/13/99  
REQUIRED MEMORANDUM(S) OF UNDERSTANDING  
ISSUE PAPER/GUIDELINES  
ONE-STOP TRANSITION ISSUES WORKGROUP

**ISSUE**

Should elements for a statewide, master document, i.e., a template or set of specifications for Memorandums of Understanding (MOUs), addressing the minimum requirements be developed?

**BACKGROUND**

The Workforce Investment Act of 1998 (WIA) emphasizes full and effective partnerships among One-Stop partners. Local Boards are to enter into good faith negotiations with required and additional partners in development of the local

**ONE-STOP SYSTEM**

To accomplish this objective, WIA requires that the Local Board, with the agreement of the Chief Elected Official (CEO), develop and enter into a memorandum of understanding (MOU) with each local partner concerning the operation of the One-Stop delivery system in the local area WIA section (121) (c)(1). The MOU will outline how the local One-Stop system will function. MOUs must be included with the submission of the local plan WIA section 118(b)(2)(B). An MOU may be an umbrella agreement which includes multiple partners and agencies or may be between the CEO and each participating entity respectively.

California's One Stop Career Center System Vision reflects a new approach to workforce preparation and highlights the role workforce preparation plays in economic development. The One-Stop Vision is built upon four guiding principles which are the essence of the One-Stop delivery system:

- Integrated: offering as many employment, training and education services as possible for employers and individuals seeking jobs or wishing to enhance their skills.
- Comprehensive: a large array of useful information with wide and easy access to needed services.
- Customer Focused: the ability to support informed choice by providing a means for customers to judge the quality of these services.
- Performance Based: where clear outcomes to be achieved and methods for measuring the agreed-upon outcomes, including customer satisfaction, are identified.

Mutual agreement between the local One-Stop delivery system partners is the foundation for building a healthy and successful delivery system. It is therefore of the utmost importance that agreements clearly define the expectations, roles and responsibilities of each partner. It should be noted that only an approved local plan (not Local Board or operator certification) triggers workforce investment funds. The MOU(s) should present in concrete terms, member contributions and the mutual methodologies to be used in overseeing local One-Stop center operations.

All required partners, if present in the local area, must participate in the One-Stop system and be signatory to the MOU. Any failure to execute an MOU between a Local Board and a required partner must be reported by the Local Board and the required

partner to the Governor or State Board, and the State agency responsible for administering the partner's program, and by the Governor or the State Board and the responsible State agency to the Secretary of Labor and to the head of any other Federal agency with responsibility for oversight of a partner's program. Any partner that fails to execute an MOU may not be permitted to serve on the Local Board. Any area in which the Local Board does not execute an MOU with all the required partners is not eligible for State incentive grants awarded on the basis of local coordination of activities under 20 CFR 665.200 (d)(2) section 662.310 of the regulations.

Following are the WIA required contents of the MOU WIA section 121 (c) (2), Section 662.300 of the regulations:

- The services to be provided through the One-Stop delivery system;
- How the costs of such services and the operating costs of the system will be funded;
- Methods for referral of individuals between the One-Stop operator and the One-Stop partners, for the appropriate services and activities;
- The duration of the memorandum and the procedures for amending the memorandum during the term of the agreement; and
- Such other provisions, consistent with the requirements of the Title I of WIA, as the parties to the agreement determine to be appropriate.

## **RECOMMENDATIONS**

1. The guiding principles for California's One-Stop System should be the goal of all One-Stop delivery systems and, as such, be reflected in the planning and implementation of the systems.
2. It is recommended that an Umbrella MOU template be developed by the State in conjunction with the mandatory WIA partners. The template must include at a minimum, the five necessary elements required by WIA.
3. In the absence of a state board, development of the template should begin now, so locals will have time to use it in the development of local plans.
4. Funding arrangements for services and operating costs of the One-Stop delivery system should be negotiated in separate financial agreements.
5. In addition to the required MOU elements in WIA, other requirements may be considered. Following are issues and questions that are encouraged to be included in the MOUs.

### **Systems Integration**

- Universal access to individuals with special needs
- Joint planning efforts
- Agreement to participate fully in a joint planning process
- Confidentiality
- Indicate technology in place now and outline future plans to achieve a seamless, integrated data system
- Indicate how technology shall be shared between/among partners
- Financial management

### Capacity Building

- Identification of local system capacity building needs
- Capacity building resources
- Agreement to work collaboratively with State and regional efforts to ensure delivery in response to identified capacity building needs
- Marketing strategy outline
- Statement of commitment to the marketing strategy
- Agency's role in the development of such a strategy
- Employer outreach
- Resources to provide for marketing the One-Stop system

### Services/Staffing

- How services will be integrated and duplication of services avoided
- Approximate number, or range, of staff available to the One-Stop delivery system
- Staffing and supervision
- Professional standards
- If staff will be co-located
- Systems for onsite and offsite services
- Individual Training Accounts

### Accountability

- Accountability (systems/reporting)
- Performance
- Training provider report cards
- Customer satisfaction surveys

### Administrative Issues

- Issue/dispute resolution
- Other elements based on local determination

### Implementation Considerations

In conjunction with option I or option II:

1. State level departments and/or agencies should develop standardized language to address the WIA MOU requirements.
2. State level partners should develop other necessary standardized language to support the MOU, e.g., hold harmless, indemnification language.
3. In addition to the WIA MOU requirements, MOU policies concerning confidentiality must be developed at the state level.